

Message Text

UNCLASSIFIED

PAGE 01 ANKARA 01435 261531Z

51

ACTION NEA-12

INFO OCT-01 EUR-25 ISO-00 AGR-20 INT-08 AID-20 CIAE-00

COME-00 EB-11 FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00

XMB-07 OPIC-12 SPC-03 CIEP-02 LAB-06 SIL-01 OMB-01

SAM-01 NSC-10 SS-20 STR-08 CEA-02 L-03 H-03 PA-04

PRS-01 USIA-15 FEA-02 SCI-06 DRC-01 /218 W

----- 041687

R 261434Z FEB 74

FM AMEMBASSY ANKARA

TO SECSTATE WASHDC 2941

INFO AMCONSUL ADANA

AMCONSUL ISTANBUL

AMCONSUL IZMIR

USMISSION OECD PARIS

USMISSION EC BRUSSELS

UNCLAS ANKARA 1435

EO 11652 N/A

TAGS: EGEN, TU

SUBJECT: GOVERNMENT ANNOUNCES PRICE INCREASES

REF: EMBASSY A-37, FEBRUARY 8

1. TURKISH GOVERNMENT ON FEBRUARY 26 ANNOUNCED PRICE INCREASES OF ABOUT 40 TO 100 PERCENT ON SEVEN BASIC RAW MATERIALS AND COMMODITIES: SUGAR 37.5 TO 40 PERCENT; CEMENT 52 PERCENT; CERTAIN IRON AND STEEL PRODUCTS 60 TO 100 PERCENT; STATE-OWNED SUMERBANK COTTON TEXTILES 80 PERCENT; WOOL TEXTILES 40 PERCENT; PETROLEUM PRODUCTS AN AVERAGE OF 65 TO 70 PERCENT WITH CONSIDERABLE REGIONAL VARIATIONS, LPG 16 PERCENT; AND CERTAIN PAPER PRODUCTS 36.5 TO 40 PERCENT. THESE PRICE INCREASES WERE LONG DELAYED AND RESULTED FROM HIGHER WORLD MARKET PRICES AND GREATER DOMESTIC PRODUCTION COSTS. THESE PRICE INCREASES, PARTICULARLY FOR PETROLEUM PRODUCTS AND CONSTRUCTION MATERIALS, WILL HAVE A

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 ANKARA 01435 261531Z

CHAIN EFFECT ON ALL CONSUMER PRICES.

2. IN ANNOUNCING AND EXPLAINING THE NEED FOR THE PRICE INCREASES
PRIME MINISTER ECEVIT AND DEPUTY PRIME MINISTER ERBAKAN SAID
THEY WERE FORCED UPON
THE GOVERNMENT. THEY SHOULD HAVE BEEN
MADE BY THE PREVIOUS GOVERNMENT. HOWEVER, THEY STRESSED
THAT A SERIES OF MEASURES WOULD BE TAKEN TO PROTECT LOW INCOME
GROUPS. BOTH SAID THAT FARMERS WILL BE GUARANTEED HIGHER PRICES
FOR THEIR PRODUCTS, REAL INCOMES WILL INCREASE FOR OTHERS AND
THAT CERTAIN TAX MEASURES WILL BE INSTITUTED ALSO TO PROTECT LOW
INCOME GROUPS.

3. THE PRIME MINISTER STATED THAT CONSUMER PRICES HAD INCREASED
IN 1973 BY 30 PERCENT. (USING OFFICIAL DATA EMBASSY CALCULATED
20 PERCENT FOR LOW INCOME GROUPS ONLY IN REPAIR.) GOVERNMENT
AND BUSINESS CIRCLES CURRENTLY ARE FORECASTING ABOUT A 30 PERCENT
CONSUMER PRICE INCREASE FOR 1974.
MACOMBER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRICES, PRICE DATA, PRICE TRENDS, RETAIL PRICES
Control Number: n/a
Copy: SINGLE
Draft Date: 26 FEB 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974ANKARA01435
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: ANKARA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740210/aaaaaisu.tel
Line Count: 79
Locator: TEXT ON-LINE
Office: ACTION NEA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: EMBASSY A-37, FEBRUARY 8
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 04 MAR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04 MAR 2002 by elbezefj>; APPROVED <03 JUN 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GOVERNMENT ANNOUNCES PRICE INCREASES
TAGS: EGEN, TU
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005